weekly economic review

June 7, 2013

Labour Market

Alberta posts largest job gain in nearly two years

Alberta created an impressive 18,600 jobs in May, building off April's strong gain. This represents the fourth month of job gains this year, bringing year-to-date job growth to 2.1%.

Service sector industries led the monthly gain, with Trade (11,800) and Professional, scientific and technical services (7,200) creating the most positions in May. Declines in good sector industries tempered the monthly gain as both the forestry, fishing, mining, oil & gas industry and the utilities industry posted job losses of 3,400 positions.

Despite May's job gains, the unemployment rate in the province moved up 0.4 percentage points to 4.8% as 31,400 more people entered the labour force in May. This represents the second largest monthly increase in the province's labour force on record.

Canada's employment surged in May, with 95,000 new positions added. The increase comes after a series of weak job gains in the first four months of the year. Ontario (50,600) posted its largest monthly gain in jobs on record, while Quebec (20,100) also contributed to the national increase. The national unemployment rate edged down 0.1 percentage points to 7.1% in May

Building Permits

Permits post strong growth

Strong gains in the value of building permits signals continued growth in Alberta's construction industry. Permits rose 10% in April over the same month last year, with residential (+15.5%) and non-residential (+5.0%) permits both contributing to the increase. In the non-residential sector, gains in institutional and commercial permits more than offset a drop in industrial permits.

Nationally, the value of building permits increased (5.4%) compared with April 2012, as residential permits increased for the first time in six months. Despite the positive reading, the value of residential permits is down 4.1% year-to-date.

International Merchandise Exports

Exports remain above last year's level

The value of Alberta's international exports grew for the fourth consecutive month in April, posting a 1.4% increase compared with the same month last year. Energy products, which account for around 70% of total exports, grew by 0.9%, while non-energy exports increased by 2.7%, led by strong growth in industrial chemical, plastics & rubber exports (+19.3%). Mitigating the year-over-year gains, industrial machinery exports (-21.2%) dropped for the sixth straight month.

Nationally, exports grew by 2.4% in April compared with the same month last year.

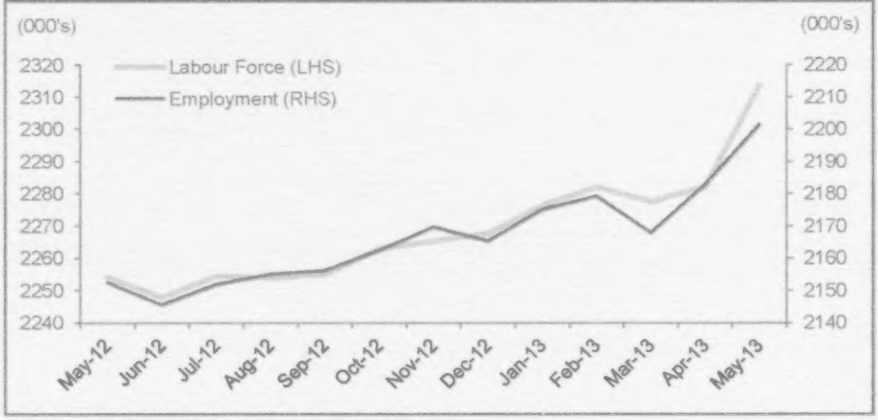
US Labour Market

Employment growth continues

US non farm payrolls increased by 175,000 in May, slightly above market expectations. This is an acceleration from the previous two months, however the increase was below the six month average of 206,000.

The US unemployment rate crept up by 0.1 percentage points to 7.6% as labour force participation gains outpaced job growth.

Alberta Labour Force and Employment



Source: Statistics Canada

Closing Price	May 30, 2013	June 6, 2013	2013-14 Fiscal YTD
Canadian Dollar (US¢/$CAN)	97.00	97.68	98.02
WTI Oil ($US/bbl)	$93.61	$94.76	$93.47
NYMEX Natural Gas($US/MMBtu)	$4.05	$3.82	$4.12

Alberta Economic Indicators

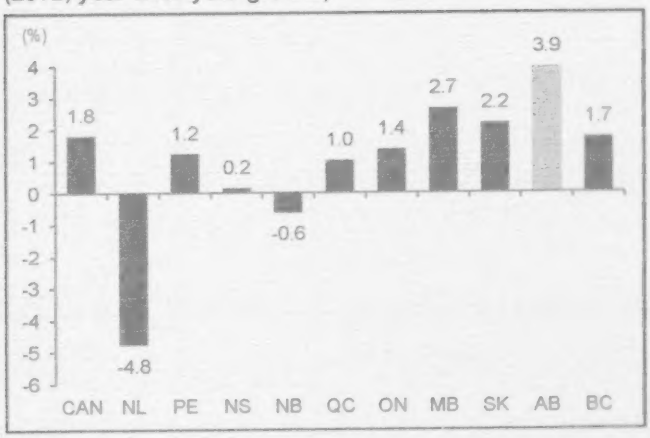
Population	2011	2012	2013YTD	Dec	Jan	Feb	Mar	Apr	May
Population (000's)	3,778	3,874	3,931	..	3,931	..	..	..	..
y/y % change	1.5	2.5	3.0	..	3.0	..	..	..	..
Net Interprovincial Migration[1]	8,443	28,170	25,448	..	11,533	..	..	..	..
Net International Migration[1]	16,703	37,990	17,105	..	6,296	..	..	..	..
Net Non-permanent Residents[1]	-7,604	9,721	-2,813	..	-1,133	..	..	..	..
Labour Market									
NEW: Employment (000's), SA	2,094	2,150	2,181	2,165	2,175	2,179	2,166	2,183	2,201
y/y % change	3.8	2.6	2.1	1.5	1.9	2.5	1.7	1.9	2.3
NEW: Unemployment Rate (%), SA	5.4	4.6	4.6	4.5	4.5	4.5	4.8	4.4	4.8
NEW: Participation Rate (%), SA	73.7	73.4	72.8	72.9	72.9	72.9	72.6	72.5	73.3
Average Weekly Earnings ($), SA	1,035.75	1,072.98	1,038.18	1,095.14	1,083.82	1,099.51	1111.20	..	..
y/y % change	4.4	3.6	4.0	3.9	3.0	4.5	4.6	..	..
Price Indices									
Consumer Price Index (y/y % change)	2.4	1.1	0.7	0.0	-0.5	0.9	1.2	1.3	..
Excluding food and energy	0.8	1.3	1.1	1.1	0.8	1.4	1.2	0.9	..
Non-Res. Building Cons. Price Index[2] (y/y % change)	3.4	3.8	1.4	3.0	..	..	1.4	..	..
NEW: Farm Product Price Index (y/y % change)	17.7	6.4	4.6	3.9	4.1	5.2	4.4	..	..
Crops	18.7	6.5	9.3	6.8	8.7	9.8	9.3	..	..
Livestock	16.9	6.2	0.2	1.5	-0.2	1.1	-0.1	..	..
Household Sector									
Housing Starts (SAAR, 000's)	25.5	33.3	35.1	30.2	31.9	35.3	34.8	39.2	..
y/y % change	-5.0	30.7	6.5	5.5	18.3	10.5	-1.6	-1.1	..
New Housing Price Index[3] (y/y % change)	0.4	1.3	2.4	1.9	2.2	2.6	2.4	..	..
Edmonton	0.9	0.9	0.8	1.0	0.9	1.0	0.6	..	..
Calgary	-0.1	1.7	4.0	3.1	3.3	4.3	4.3	..	..
MLS Average Resale Prices ($ 000's)	362.7	362.0	375.6	372.2	367.6	380.1	380.4	374.3	..
y/y % change	0.5	2.6	5.1	5.2	6.6	4.5	5.9	3.4	..
Edmonton ($ 000's)	324.2	332.7	342.5	345.9	337.5	344.0	348.9	339.4	..
y/y % change	-0.7	2.6	2.7	4.4	1.6	2.8	5.4	-1.0	..
Calgary ($ 000's)	401.9	410.8	429.3	436.0	422.5	436.7	433.9	423.9	..
y/y % change	1.1	2.2	7.2	8.3	12.4	5.7	6.3	4.6	..
Retail Sales, SA (y/y % change)	6.8	6.9	5.5	2.8	4.3	7.4	4.7	..	..
New Motor Vehicle Sales (y/y % change)	9.6	10.5	3.0	-3.7	3.6	6.5	-0.1	..	..
Consumer Bankruptcies	7029	5759	1287	346	446	412	429	..	..
y/y % change	-13.8	-18.1	-20.5	28.4	-13.7	-22.7	-24.5	..	..
Business Sector									
Rigs Drilling	286	250	303	287	368	422	306	115	88
y/y % change	30.4	-12.6	-9.5	-16.6	8.2	-8.1	-9.4	-18.2	0.0
NEW: Goods Exports, customs based (y/y % change)	18.4	1.8	1.5	-13.1	1.3	2.0	1.5	1.4	..
Energy	19.2	2.1	1.6	-16.9	1.0	3.9	0.7	0.9	..
Farm, Fishing and Intermediate Food	27.2	20.6	2.2	20.0	3.6	6.7	5.3	-6.2	..
Farm Cash Receipts (quarterly, y/y % change)	16.7	14.1	9.3	10.1	..	..	9.3	..	..
Manufacturing Shipments, SA (y/y % change)	17.3	3.4	-1.8	-5.8	-3.0	-0.4	-2.0	..	..
Wholesale Trade, SA (y/y % change)	14.7	10.8	4.0	3.7	3.1	6.2	2.8	..	..
NEW: Building Permits, SA (y/y % change)	11.8	14.8	22.9	-5.4	24.7	19.9	38.6	10.0	..
Residential	5.2	18.2	14.6	2.2	21.2	7.8	14.6	15.4	..
Non-residential	20.9	10.7	33.5	-13.0	30.6	36.1	72.1	5.0	..
Business Bankruptcies	264	230	36	16	10	14	12	..	..
y/y % change	30.2	12.9	43.8	-11.1	50.0	-44.0	36.8	..	..

1 Quarterly; annual numbers are presented on a census year basis (July 1– June 30)
2 Quarterly, average of Calgary and Edmonton
3 Average of Calgary and Edmonton
YTD (year-to-date) represents the change since the beginning of the year compared to the same period in the previous year. "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate

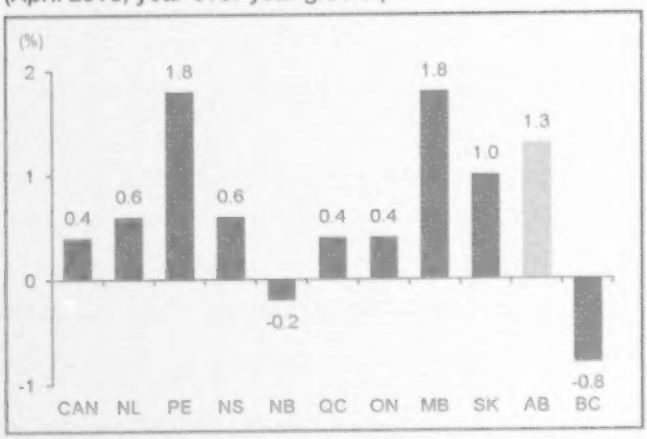
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy Canada).

Economic Indicators by Province

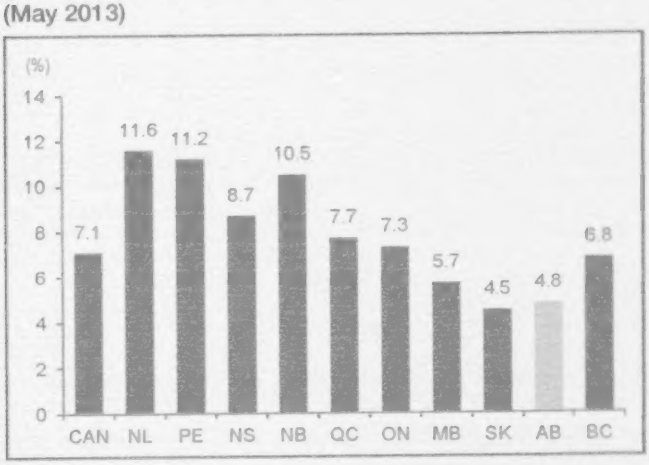
Real GDP by Industry
(2012, year-over-year growth)



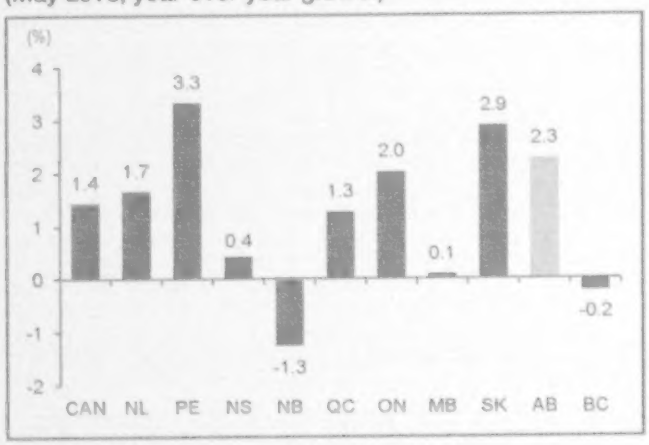
CPI Inflation
(April 2013, year-over-year growth)



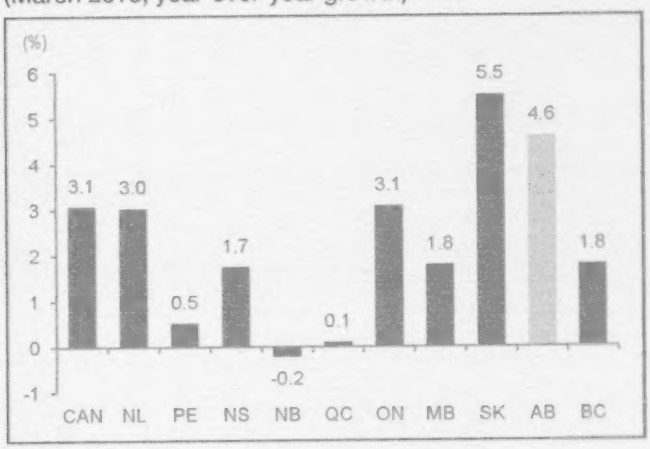
Unemployment Rate
(May 2013)



Employment
(May 2013, year-over-year growth)



Average Weekly Earnings
(March 2013, year-over-year growth)



Housing Starts
(April 2013, SAAR, year-over-year growth)